

SB 282
Generally revise taxation of income,
including the corporate license tax
Tutvedt

1. SB 282 lowers the top tax rates on **ordinary income** from 6.9% to 6%.

Tax Rate Change on Ordinary Income			
	SB 282 Simplifies and Lowers Rates to:	SB 282 Rate	Current Top Rate
Joint Returns	4% up to \$15,600	6% over \$15,600	6.9%
Single and Married Filing Separately	4% up to \$7,800	6% over \$7,800	6.9%
Head of Household	4% up to \$11,700	6% over \$11,700	6.9%

2. SB 282 lowers the **corporate tax rate** from 6.75% to 6.5%.

3. SB 282 reduces **capital gains tax** by 1.5%.

Highlights

- Simplifies Montana's income tax system from one of the most complex in the nation
- Attempts to be revenue neutral
- Lowers income tax rates
- Eliminates many credits and exemptions, closing loopholes
 - Retains:
 - Endowment tax credit
 - Elderly Renter credit
- Deductions and exemptions phase out on incomes over \$250,000 married, \$200,000 individual as per federal tax code